

CINCINNATI POLICE DEPARTMENT



STAFF NOTES

Colonel Thomas H. Streicher, Jr., Police Chief
February 11, 2003

<u>ITEM</u>	<u>SUBMITTED BY</u>
1. <u>26TH ANNUAL HUMANA HEART MINI-MARATHON</u>	PUBLIC INFORMATION OFFICE
2. <u>THE UNITED WAY & COMMUNITY CHEST 211 RESOURCE DATABASE</u>	COP COORDINATOR
3. <u>PROMPT PAY SYSTEM OVERVIEW</u>	FISCAL & BUDGET SECTION
4. <u>LIVING WAGE ORDINANCE</u>	FISCAL & BUDGET SECTION

1. 26TH ANNUAL HUMANA HEART MINI-MARATHON

The 26th Annual Humana Heart Mini-Marathon will be held on Sunday, March 30, 2003. This event includes a 15K Mini-Marathon, a 5K HeartRun, a 5K/10K HeartWalk, and a 2K Kids' Mini-Marathon. The Police Department is one of the event sponsors and is receiving a limited number of free registrations for the event. The registration forms will be distributed on a first come, first served basis and are available only to Department employees.

For information or a registration form, please contact Lieutenant Kurt Byrd, Public Information Office, at 352-3515. All registration forms must be returned to Lieutenant Byrd by February 21, 2003.

2. THE UNITED WAY & COMMUNITY CHEST 211 RESOURCE DATABASE

The United Way & Community Chest is launching the 211 Resource Database. The 211 system is a centralized clearinghouse designed to connect people in need of services to the appropriate community resources.

There are over 800 social services available through this computerized database. The system will be accessible 24 hours a day, seven days a week. Officers and citizens can access the system by simply dialing 211.

A press conference is scheduled for February 11, 2003, to announce the implementation of this system to the public. Officers are encouraged to provide this number to citizens and are reminded that a listing of social services is still available via the HELP file on the MDT.

Any questions or requests for additional information may be directed to Lieutenant Larry J. Powell, COP Coordinator, at 352-1472.

3. PROMPT PAY SYSTEM OVERVIEW

On September 18, 2002, City Council passed the Prompt Payment System, better known as "Prompt Pay". The ordinance became effective January 1, 2003. [Attached](#) to these Staff Notes are the details of the ordinance.

Any questions may be directed to Ellie Topham, Fiscal & Budget, at 352-2987.

4. LIVING WAGE ORDINANCE

On November 27, 2002, City Council passed the Living Wage Ordinance #362-2002, which became effective February 1, 2003. [Attached](#) to these Staff Notes is a copy of the ordinance and the [Affidavit of Compliance](#). The ordinance requires the City, and all contractors with service contracts equal to or greater than \$20,000, to pay employees a "living wage".

To comply with this ordinance, all contracts, bids and request for proposals must include this "living wage" language:

1. This contract is subject to the Living Wage provisions of the Cincinnati Municipal Code (CMC). The provisions require that, unless specific exemptions apply or a waiver is granted, all employers (as defined) under service contracts shall provide payment of a minimum wage to employees (as defined) of \$8.70 per hour with health benefits (as defined) or otherwise \$10.20 per hour. Such rate shall be adjusted annually pursuant to the terms of the CMC.
2. Under the Living Wage provisions, the City shall have the authority, under appropriate circumstances, to terminate this contract and seek other remedies.

All contractors with Service Contracts equal to or greater than \$20,000 are required to complete this affidavit, and the affidavit must be included with the contract. Questions may be directed to Ellie Topham, Fiscal & Budget Section, at 352-2987.

OUTLINE OF PROMPT PAY SYSTEM

Important aspects of the Prompt Pay System:

- Requires the City of Cincinnati to make payments to contractors within thirty days of receipt of a complete and responsive invoice;
- Requires contractors to pay subcontractors for complete and responsive invoices within ten days after they receive payment from the City;
- Requires the City to pay an interest penalty on unpaid balances not paid within thirty days, up to a maximum of 10% of the total contract amount;
- Requires contractors to pay an interest penalty on unpaid balances not paid within ten days, to subcontractors; and
- Allows the City to make partial payments for partial deliveries if authorized by the terms and conditions of the contract.

There are several important steps that must immediately be followed with incoming invoices. All invoices (including those in the form of a packing slip) should be date stamped the day they arrive in a bureau/district/section/unit. Department personnel must then determine if the invoice is complete and responsive before submitting the invoice for payment. As a result, the invoice must be reviewed to guarantee it meets the necessary criteria for a complete and responsive invoice as outlined below:

- Reflects goods and/or services provided by the contractor to the City;
- Reflects the goods and/or services that comply with contract specifications;
- Clearly states an invoice date, an unique invoice number, and the City purchase order or contract number related to the supplies and/or services provided by the contractor;
- Reflects prices that are reasonable or just and in accordance with the contract;
- Invoice is complete and free of errors;
- Reflects that no unresolved disputes exist between the City or the contractor with respect to the invoice.

Beginning with the second invoice submitted by the contractor, evidence that the contractor has paid all subcontractors within ten days after receipt of payment from the City must be included with the invoice. Approved proof of payment shall consist of copies of the checks paid to subcontractors or copies of a check register that documents that the payment was made or a signed and notarized statement from the Contractor that all subject payments have been made to all related subcontractors. The contractor is required to pay interest on valid vouchers using the same interest rate calculation that applies to the City.

Upon receipt of an invoice by Police Department personnel the following process is to be followed;

- The invoice must be date stamped and a potential interest due date is established.
- A review for completeness and responsiveness must be done.
- If the invoice is complete and responsive, submit it to Fiscal and Budget within three days of receipt noted "OK to pay" and signed.

If the invoice is incomplete and unresponsive, notify the contractor within five days after the receipt of the invoice. Make a copy of the invoice, note the date of notification on it, and send copy to Fiscal and Budget section. Send original back to contractor. The tolling of the thirty-day payment is suspended as of the date of notification.

J.L.H.

#362-2002

ORDAINING Chapter 317 of the Cincinnati Municipal Code to provide for a "living wage" for full-time City employees or for employees of contractors providing or delivering services to the City of Cincinnati.

WHEREAS, it is in the interest of the City to promote for every resident who is willing to work, the opportunity to earn a decent, living wage for themselves and their family; and

WHEREAS, the City should set a positive example in its procurement of services to ensure that its direct service providers, if individuals, and their employees, if contractors, are receiving living wages; and

WHEREAS, a full time worker requires a living wage to live above the federally designated poverty threshold; and

WHEREAS, Council recognizes that there are currently categories of City service contracts that are not covered by prevailing wage requirements and that workers for certain contractors providing services for the City, and in some cases even City employees may not be compensated in a manner which places them and their families above the federally designated poverty threshold; now, therefore,

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio:

Section 1. That the Chapter 317 of the Cincinnati Municipal Code is ordained to read as follows:

Legislative Intent and Purpose.

It is the purpose of this chapter:

(1) to increase the quality and reliability of services procured for the city or provided to city inhabitants by contractors or vendors, by promoting higher productivity and retention of employees working on City contracts;

(2) to use city spending to encourage the development of jobs paying wages above the poverty level;

(3) to use city spending and procurement of services to require covered employers that provide services to the city to pay their employees a "living wage" - a wage sufficient to meet their employees basic subsistence needs;

(4) to raise the income of low-income working people and their families employed by covered employers on city contracts;

(5) to permit exemptions from the provisions of this chapter in certain limited circumstances; and

(6) to provide incentives for covered employers to provide health insurance to their employees.

§ 317-1. Definitions.

For the purpose of this chapter, the words and phrases defined in the sections hereunder shall have the meanings respectively ascribed to them, unless a different meaning is clearly indicated by the context.

§ 317-1-C. Contractor.

"Contractor" means any person that enters into a service contract with the city in an amount equal to or greater than twenty thousand dollars (\$20,000.00).

§ 317-1-C2. Covered Employee.

"Covered employee" means a full-time city employee or any person who is employed as a service employee of a contractor or subcontractor under the authority of one or more service contracts with the city and who expends any of his or her time thereon, including but not limited to: restaurant, food service or banquet employees; janitorial employees; security guards; parking attendants; gardeners; waste management employees; and clerical employees, provided however, that persons who are employed pursuant to federal or state laws relating to prevailing wages shall be exempt from this Chapter.

Specifically, a "covered employee" is the persons or persons employed by a "covered employer" to perform the specific services which are covered or funded by the contract with the city.

§ 317-1-C3. Covered Employer.

"Covered employer" means a contractor or subcontractor that has not been granted an exemption from this Chapter.

§ 317-1-H. Health Benefits or Employee Health Benefits.

"Health benefits" means providing health care benefits for employees (or employees and their dependents) at employer cost or making an employer contribution toward the purchase of such health care benefits for employees, provided that the employer cost or contribution equals no less than \$1.50 an hour for the average work week of such employee.

§ 317-1-L. Living Wage.

"Living wage" means a wage equal to the level established in Section 317-3 of this Chapter.

§ 317-1-P. Person.

"Person" means any individual, partnership, corporation, association or other entity, which may contract with the city for the provision of services.

§ 317-1-S. Service Contract.

"Service contract" means a contract let to a contractor by the city for the furnishing of services to or for the city that involves an expenditure equal to or greater than twenty thousand dollars (\$20,000.00) (except contracts where services are incidental to the delivery of products, equipment or commodities)

Grants or other types of financial assistance provided to persons contractually or through various city development programs which do not involve the furnishing of services to or for the city are not considered "service contracts" for the purpose of this Chapter. Similarly, grants or other types of financial assistance provided to charitable or social service agencies contractually or through various city programs are not considered "service contracts" for the purpose of this Chapter.

§317-1-S1. Subcontractor.

"Subcontractor" means any person who enters into a contract with a contractor to assist the contractor in performing a service contract.

§ 317-3. Living Wages Required.

(a) The city and every covered employer shall pay its covered employees a living wage as determined in this section:

For a covered employer that provides employee health care to its employees, the living wage shall be \$8.70 per hour, or the adjusted amount hereafter established in subsection (c) hereof;

For a covered employer that does not provide health care to its employees, the living wage shall be \$10.20 per hour, or the adjusted amount hereafter established in subsection (c) hereof;

(b) In order to qualify to pay the living wage rate for covered employers providing employee health care under subsection (a) hereof, a covered employer shall furnish proof of said health care coverage and payment therefor to the City Manager or the manager's designee.

(c) The amount of the living wage established in this section shall be adjusted upward no later than April 30, 2003, and every year thereafter by a percentage equal to the percentage increase, if any, in the federal poverty guidelines as published by the United States Department of Health and Human Services for the years 2002 and 2003. Subsequent annual adjustments shall be based upon the percentage increase, if any, in the United States Department of Health and Human Services poverty guidelines when comparing the prior calendar's year's poverty guidelines to the present calendar year's guidelines. The applicable percentage amount will be converted to an amount in cents by multiplying the existing wage under this section by said percentage, rounding upward to the next cent, and adding this amount of cents to the existing wage levels established herein. Prior to April 1 of each calendar year, the city will notify any covered employer of this adjustment by posting an announcement in the City Bulletin and/or by written letter in the case of a covered employer that has provided an address of record to the city.

§317-5. Duration of Requirements.

A covered employer shall be required to comply with this chapter for the term on their contract with the city.

§317-7. Waivers.

Council reserves the right to waive the requirements of this chapter upon a finding and determination that waiver is in the best interests of the city; for example, when the city has declared an emergency due to natural disasters and needs immediate services.

Waivers from the chapter are disfavored, and will be granted only where the balance of competing interests weighs clearly in favor of granting the waiver. If waivers are to be granted, partial waivers are favored over blanket waivers. Moreover, any waiver shall be granted for no more than one year

§317-9. Exemptions.

(a) An employee who is a trainee in a job training program which meets city job training standards as outlined in regulations promulgated by the city manager pursuant to this Chapter, shall be exempt for the period of training.

(b) An employee who is under twenty-one (21) years of age, or employed by a nonprofit corporation for after school or summer employment or as a trainee for a period not longer than ninety (90) days, shall be exempt.

§317-11. Contract or Agreement Language.

All "Requests for Proposals" and city contracts subject to this chapter shall contain the following two paragraphs or substantially equivalent language:

(a) This contract is subject to the Living Wage provisions of the Cincinnati Municipal Code. The provisions require that, unless specific exemptions apply or a waiver is granted, all employers (as defined)

under service contracts shall provide payment of a minimum wage to employees (as defined) of \$8.70 per hour with health benefits (as defined) or otherwise \$10.20 per hour. Such rate shall be adjusted annually pursuant to the terms of the Municipal Code.

(b) Under the Living Wage provisions, the City shall have the authority, under appropriate circumstances, to terminate this contract and to seek other remedies.

§ 317-13. Obligations of Contractors.

(a) All proposed contractors subject to the provisions of this chapter shall submit a completed declaration of compliance form, signed by an authorized representative, along with each proposal. The completed declaration of compliance form shall be made a part of the executed contract.

(b) Contractors shall require their subcontractors to comply with the provisions of this chapter. Language indicating the subcontractor's agreement to comply shall be included in the contract between the contractor and subcontractor. A copy of such subcontracts or other such agreements shall be submitted to the city.

(c) Contractors and subcontractors shall give written notification to each current and new employee, at time of hire, of his or her rights to receive the benefits under the provisions of this chapter. A copy of such notification shall be forwarded to the city which must include the following:

(1) Minimum Compensation. The initial rates of eight dollars and seventy cents (\$8.70) with health benefits or ten dollars and twenty cents (\$10.20) without health benefits will be adjusted annually. The living wage shall be upwardly adjusted each year no later than April 30th in proportion to the increase at the immediately preceding December 31st over the year earlier level of the Consumer Price Index as published by the Bureau of Labor Statistics, U.S. Department of Labor.

(2) Health Benefits. Proof of the provision of such benefits shall be submitted to the city not later than thirty (30) days after execution of the contract to qualify for the wage rate in Section 317-5(a). Health benefits shall be provided to part-time employees as well as full-time employees.

§317-15. Retaliation or Discrimination.

Covered employers shall not discharge, reduce the compensation of or otherwise discriminate against any employee for making a complaint to the city, participating in any of its proceedings, using any civil remedies to enforce his or her rights, or otherwise asserting his or her rights under this chapter.

§317-17. Monitoring, Investigation and Compliance.

The provisions of this chapter will augment the city's normal and customary procedure for administering its contracts. The city shall administer the requirements of this chapter as follows:

(a) The city manager shall develop rules and regulations to review contract documents to insure that relevant language and information are included in city RFP's, agreements and other relevant documents.

(b) The city manager shall develop rules and regulations for the monitoring of the operations of the covered employers to insure compliance including the review, investigation and resolution of specific concerns or complaints about the employment practices of a contractor or subcontractor relative to this chapter. In such cases, the city will attempt to resolve the problem within thirty (30) days.

(c) Where a violation of any provision of this chapter has been determined, the contractor will be given a written notice by the city per the rules and regulations promulgated by the city manager. Should the violation continue and/or no resolution is imminent, the city shall pursue all available legal remedies, including but not limited to any or all of the following penalties and relief:

1. Suspension and/or termination of the contract or subcontract for cause;
2. Payback of any or all of the contract awarded by the city;
3. Deem the contractor ineligible for future city contracts and/or financial assistance until all penalties and restitution have been paid in full;

§317-19. Employee Complaint Process.

An employee who alleges a violation of any provision of this chapter may report such acts to the city and, at the employee's discretion, exhaust available employer internal remedies. The complaint to the city shall be handled as follows:

(a) The employee shall submit to the city a completed complaint form and copies of all documents supporting the allegation.

(b) The city shall notify the agency and the employer of the complaint and seek resolution within five days from receipt of the complaint form. If resolution is not accomplished, the city shall initiate an investigation and seek legal remedies, if appropriate.

(c) An employee claiming retaliation (such as termination, reduction in wages or benefits or adverse changes in working conditions) for alleging noncompliance with this chapter may report the alleged retaliation in the same manner as the initial complaint.

(d) The complainant's or witness' identity will not be divulged to the employer without the individual employee's written consent.

§317-21. Contract Review process and city reporting and record keeping.

The city manager shall develop an administrative procedure and appeal process for determining compliance with this chapter.

(a) Regarding the appeal process, it shall be available to every bidder/proposer who has been deemed noncompliant with this chapter, or who disputes the determination of applicability of this chapter to its business operation which will be involved in the proposed contract. A contract shall not be executed until there is resolution of the relevant appeal.

(b) Appeals shall be filed with the city manager within seven calendar days of the date of the notice of the city's written determination of noncompliance and reasons therefor, or written determination of the applicability of this chapter.

(c) The city manager shall maintain records pertaining to all complaints, hearings, determinations and findings, and shall submit a regular report on compliance with this chapter no less than annually to the City Council. Special reports and recommendations on significant issues of interest to the Council will be submitted as deemed appropriate.

(d) Covered employers who fail to submit documents, declarations or information required to demonstrate compliance with this chapter shall be deemed non-responsive and subject to disqualification.

§317-23. Collective Bargaining Agreement.

All of the provisions of this chapter, or any part hereof, may be waived in a bona fide collective bargaining agreement, but only if the waiver is explicitly set forth in such agreement in clear and unambiguous terms.

§317-25. Application to new contracts.

The provisions of this chapter shall apply to:

(a) a contract entered into after the effective date of the ordinance codified in this chapter;

(b) a contract amendment consummated after the effective date of the ordinance codified in this chapter which itself meets the financial threshold requirement of this chapter.

§ 317-27. Effective date.

This Chapter shall become effective on February 1, 2003, and shall apply to contracts dated on or after such date.

Section 2. This ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed _____, 2002

Mayor

Attest:

Clerk



**CITY OF CINCINNATI
LIVING WAGE AFFIDAVIT OF COMPLIANCE**

The undersigned hereby agrees to pay all covered employees, as defined by the Cincinnati Municipal Code Chapter 317, Living Wage Ordinance (LWO), a living wage of \$8.70 per hour to employees who have health care benefits provided by the employer and \$10.20 per hour to employees not provided health care by the employer. Please check the appropriate boxes:

- ☐ All of our employees who have health benefits provided by this company receive an hourly wage that is at least \$8.70 an hour. The employer cost or contribution for health benefits equals no less than \$1.50 an hour for the average work week of such employees.

Health Care Provider	Plan#
Contact Person	Phone #

- ☐ All of our employees who do not have health benefits provided by this company receive an hourly wage that is at least \$10.20 an hour.

<input type="checkbox"/> Contractor	<input type="checkbox"/> Subcontractor	Bid/Contract #
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In accordance with Chapter 317-13 (b), LWO, Obligations of Contractors, contractors shall require their subcontractors to comply with the provisions of this chapter.

In accordance with Chapter 317-13(c), LWO, Obligations of Contractors, contractors and subcontractors shall give written notification to each current and new employee, at time of hire, of his or her rights to receive the benefits under the provisions of this chapter.

List names of all joint ventures, partners, subcontractors, or others having any right of interest in this contract or the proceeds thereof (attach additional pages if needed). If not applicable, state "NONE."

Name	Name
Name	Name

Name of Company _____ will hereby comply with Chapter #317 of the Cincinnati Municipal Code as stated above.

Print Name	Title
Signature	Date

Personally came before me on this _____ day of _____, 200_,
he/she _____ who acknowledges that he/she executed the
foregoing document for the purpose therein contained for and on behalf of said company. In witness
whereof, I have hereunto set my hand and official seal.

(SEAL)

NOTARY PUBLIC SIGNATURE

PRINT NAME

My commission expires